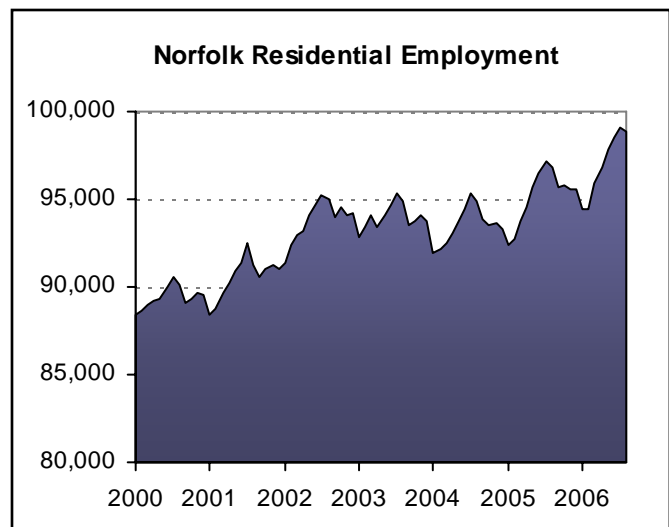


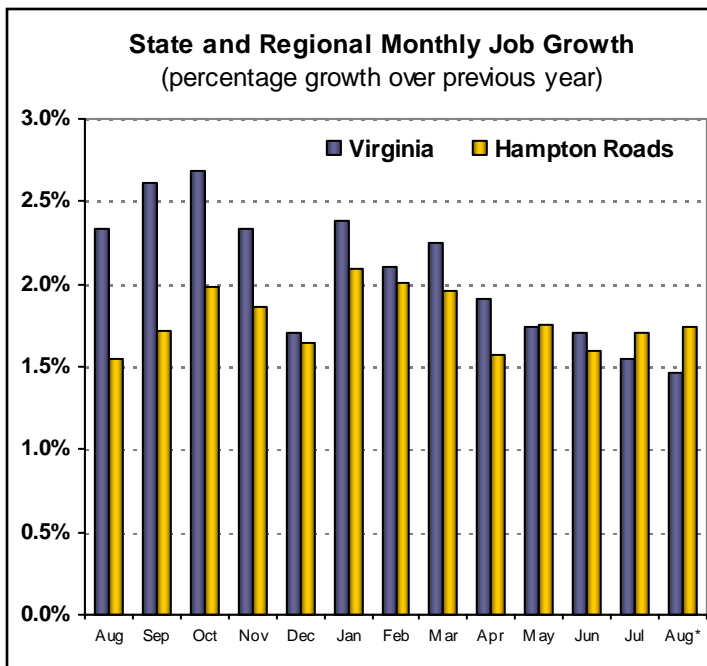
Residential Employment

- The Virginia Employment Commission (VEC) reported that the number of employed Norfolk residents in August is 98,864, a slight decrease of 180 or 0.2 percent from the previous month but increasing by 1,991 or 2.1 percent over the previous year.
- In August, Norfolk's unemployment rate stood at 4.9 percent (not seasonally adjusted), which is below the previous month's rate of 5.1 percent and 0.6 percentage point lower than the previous year's rate of 5.5 percent.
- The VEC reported that both the statewide and regional unemployment rate (not seasonally adjusted) in August decreased by 0.1 percentage point from the previous month to 3.2 percent and 3.6 percent, respectively. August unemployment statewide and in Hampton Roads also declined from the previous year's rate of 3.5 percent and 4.1 percent, respectively. Both the statewide and regional unemployment rate remains below the national unemployment rate of 4.6 percent (not seasonally adjusted).
- The VEC indicated that the low statewide unemployment rate of 3.2 percent for August was largely a matter of timing. Data collection this year, unlike August 2005, missed most of the college students, who quit summer jobs and returned to college towns to seek after-school and part-time employment. Also, the idling of vehicle-related workers in Hampton Roads occurred after the data collection period.

Unemployment Rate
(not seasonally adjusted)

	August 2006	July 2006	August 2005
Norfolk	4.9%	5.1%	5.5%
Chesapeake	3.3%	3.5%	3.8%
Hampton	4.1%	4.2%	4.7%
Newport News	3.9%	4.0%	4.5%
Portsmouth	4.8%	5.2%	5.7%
Suffolk	3.4%	3.5%	3.9%
Virginia Beach	3.1%	3.2%	3.5%
Hampton Roads	3.6%	3.7%	4.1%
Virginia	3.2%	3.3%	3.5%





Source: Virginia Employment Commission. Compiled by the Office of Budget and Management.

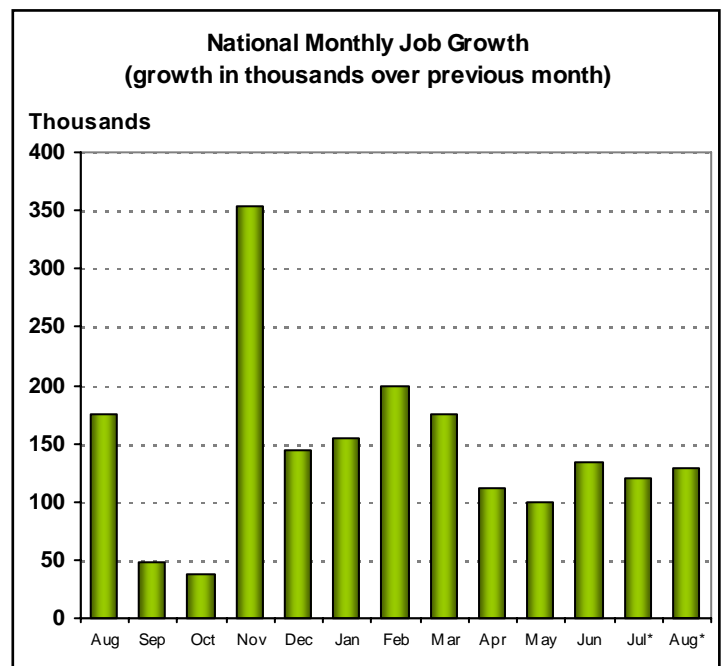
Notes: * - preliminary estimates.

State and Hampton Roads Job Growth

The Virginia Employment Commission's reported that nonfarm employment in August grew 1.5 percent (or 53,700 jobs) over August 2005. Virginia's nonfarm employment reached 3,723,400 in August. Employment in Hampton Roads grew over the previous year by 1.7 percent (13,400 jobs) reaching 781,800. The table below shows the job growth by industry.

Job Growth in Major Sectors

	Hampton Roads	Virginia
Construction	4,000	13,100
Manufacturing	-2,100	2,000
Trade, Transportation and Utilities	1,900	2,100
Information	-100	-3,000
Finance	2,100	2,300
Professional and Business Services	0	17,200
Educational and Health Services	2,900	10,600
Leisure and Hospitality	3,100	5,100
Government	200	5,500



Source: U.S. Bureau of Labor Statistics. Compiled by the Office of Budget and Management.

Notes: * - preliminary estimates.

National Job Growth

The Bureau of Labor Statistics (BLS) reported that nonfarm employment increased by 128,000 in August from the previous month to 135.5 million (seasonally adjusted). The unemployment rate declined to 4.7 percent (seasonally adjusted) from the previous month's rate of 4.7 percent.

The biggest gains occurred in education and health services (60,000 jobs), followed by professional and business services (26,000 jobs), construction (17,000 jobs) and government (17,000 jobs). Job growth in construction has decelerated—growth year-to-date through August totaled 105,000 jobs compared to 185,000 jobs over the same period last year. Job gains also occurred in financial activities (10,000 jobs), leisure and hospitality (10,000 jobs), information (7,000 jobs), wholesale trade (6,000 jobs), and mining (4,700 jobs).

Job losses occurred in retail trade (14,000 jobs), manufacturing (11,000 jobs) and transportation, warehousing and utilities (8,000 jobs). Within retail trade, job losses were seen among auto dealers, department stores, gas stations and clothing and sporting goods stores. Retail trade year-to-date has lost nearly 90,000 jobs compared with last year's gain of nearly 175,000 jobs over the same period.